



Themed Entertainment Association

ANTITRUST POLICY

The antitrust laws seek to preserve a free competitive economy in the United States and in commerce with foreign countries. As a general rule, competitors may not restrain competition among themselves through understandings or agreements as to the price, the production, or the distribution of their products or services, or other agreements which unreasonably restrict or eliminate competition. With some exceptions, competitors may not act in concert to restrict the competitive capabilities or opportunities of their competitors, their suppliers, or their customers. Notwithstanding the inherent legality of association meetings, in light of the fact that association “members” are often viewed as “Competitors, it must be conceded that associations do present an opportunity for improper conduct, and associations must be watchful to ensure that this does not occur.

The antitrust laws, however, are often of unclear applicability, and in certain circumstances unlawful agreements can be inferred from circumstantial evidence. Furthermore, penalties for violating the antitrust laws are severe. The guidelines set forth below are designed to avoid even the appearance of questionable activity by the Themed Entertainment Association (“TEA”) and its members.

At all meetings of the TEA Board of Directors and committees, as well as all association-sponsored seminars, conferences, and task force and working group sessions and among TEA members, the following will not be discussed:

- Current or future prices, terms of services, warranties.
- What constitutes a “fair profit level.”
- Possible increases or decreases in prices.
- Standardization or stabilization of prices.
- Pricing procedures or formulas.
- Cash discounts.
- Credit terms.
- Confidential future marketing plans.
- Agreements to not “poach” competitor’s employees.
- Control of sales.
- Allocation of customers or geographic division of markets.
- Refusal to deal with a company because of its pricing or distribution practices.
- Whether or not the pricing practices of any industry member are unethical or constitute an unfair trade practice.
- Any agreement or understanding to “boycott” the goods/services of any third party.
- Information concerning any individual company’s costs, profits, inventory, market share, or other commercial information of a non-public nature.

Notwithstanding the prohibitions on certain cooperation between competitors described above, TEA members may be immunized from antitrust liability when they cooperate to influence governmental action, such as joint legislative or regulatory initiatives. It should be viewed as very limited permission to influence jointly any branch of the government. It is important to remember that the doctrine immunizes cooperating competitors from liability only from any harm to competition that is caused by the resulting governmental action. It does not immunize competitors who behave or share information improperly at any time, even if they are doing so in the course of influencing law- or policy-makers. For example, competitors may not share future pricing moves with each other in preparation for an effort to convince a lawmaking body to set a price floor for an industry.

Further, if TEA embarks on the development of specific product standards or a code of ethics for its members or the compilation of industry statistics, such activities shall be developed and conducted in a manner consistent with applicable antitrust laws with the prior approval of the TEA Board of Directors and advice of counsel.

To avoid even the appearance of questionable activity, as well as to guard against inadvertent conduct, TEA meetings should observe the following guidelines and procedures:

- A written agenda will be prepared and adhered to.
- Accurate minutes of meetings will be prepared and approved.
- In case of doubt about the propriety of a discussion, or a particular topic of discussion, TEA staff or counsel will be consulted.
- If a member has a reservation concerning remarks or discussion at a TEA meeting, that member should state the reservation.

